FACTS ON FILE

WORLD NEWS DIGEST WITH INDEX

Published weekly in 2 Sections—Section 1

Vol. XXI, No. 1076 June 8-14, 1961

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WORLD AFFAIRS

USSR Reveals German Terms

Summit Memo Issued. A memorandum on Soviet terms for settlement of the problems of Berlin and a German peace treaty was made public by Tass June 10 (text published in the U.S. June 12).

The memo was one of 2 handed to American representatives by Soviet officials at the end of the Vienna meeting of Pres. Kennedy and Premier Khrushchev June 3-4. The other document dealt with disarmament.

The 8-point Soviet memo restated the major precepts of Russian policy on Germany: the signing of a World War II peace treaty with both German states and the transformation of West Berlin into a demilitarized "free city" within the territory of East Germany. But if the Western powers were not prepared to join the USSR in an immediate conference on a German peace treaty and reunification, the memo proposed that the USSR, U.S., Britain and France together call on East and West Germany to begin direct negotiations on these matters. The document suggested that under this "interim solution," the 2 German states be given 6 months to reach agreement on a peace treaty, which would be accepted in advance by the Big 4 powers.

The 6-month time limit on proposed negotiations between the 2 German states was not regarded as a new Soviet ultimatum despite the memo's repetition of threats that the USSR would sign a separate peace treaty with East Germany and end the Soviet occupation administration in Berlin. The Soviet memo offered to guarantee the status of a free city of West Berlin and to accept the continued presence in the city of "symbolic" Western troop contingents and of neutral troops under UN auspices. It warned, however, that if the USSR were forced to seek the creation of a free city of West Berlin through a separate peace treaty with East Germany, the Western powers would have to renegotiate with East Germany their current rights of access to Berlin across East German territory.

Excerpts from the Soviet memo:

1. "The peace settlement with Germany, dragged out for many years, has largely predetermined the dangerous development of events in Europe in the postwar period. Highly important Allied decisions on rooting out militarism in Germany, which the governments of the United States and the USSR at the time regarded as . . . [a hope] of of enduring peace, were implemented only in part and are now virtually not observed on the greater part of German territory.

"Of the governments of the 2 German states that took shape after the war, only the . . . [East] German Democratic Republic recognizes these agreements and adheres to them. The . . . Federal Republic of [West] Germany openly expresses its negative attitude to them, fosters saber rattling militarism and comes out for a revision of the German frontiers, a revision of the results of World War II. . . ."

2. "The Soviet government sincerely strives for the elimination of the causes engendering tension between the USSR and the United States and for a change-over to constructive friendly cooperation. Conclusion of a German peace treaty would bring both countries much closer to this aim. . . ."

3. "Proceeding from a realistic assessment of the situation, the Soviet government advocates the immediate conclusion of a peace treaty with Germany. The question of a peace treaty is the question of the national security of the USSR and many other states. It is no longer possible to leave the situation in Germany without changes. All conditions for the conclusion of a peace treaty have long since matured and such a treaty must be concluded. The essence of the matter is by whom and how it will be concluded. . . ."

4. "The Soviet government does not aim at prejudicing the interests of the United States or other powers in Europe. It does not propose any changes in Germany or in West Berlin which would benefit only one state or one group of states. The USSR deems it necessary for the sake of consolidating peace to record the situation that took shape in Europe afer the war, de jure to formulate and consolidate the immutability of the existing German frontiers, to normalize the situation in West Berlin on the basis of reasonable consideration for the interests of all sides.

"For the sake of reaching agreement on a peace treaty, the Soviet Union does not insist on the immediate withdrawal of the Federal Republic of Germany from NATO. Both German states could for a certain period remain after the conclusion of a peace treaty members of those military alignments to which they now belong.

"The Soviet proposal does not link the conclusion of the peace treaty with the recognition of the German Democratic Republic or the Federal Republic of Germany by all parties to this treaty. To recognize or not to recognize one or another state is a matter for each government.

"If the United States is not ready to sign a single peace treaty with both German states, a peace settlement could be effected on the basis of 2 treaties. In this case the states, members of the anti-Nazi coalition, would sign a peace treaty with both or with one German state at their discretion. These treaties must not have identical texts but they must contain the same provisions on the major questions of a peace settlement."

5. "The conclusion of a German peace treaty would also solve the problem of normalizing the situation in West Berlin. West Berlin, deprived of a firm international status, is now a place where Bonn's revenge-seeking elements constantly maintain extreme tension and stage all kind of provocations very dangerous to the cause of peace. . . ."

"At present the Soviet government sees no better solution of the problem of West Berlin than its conversion into a demilitarized free city. . . . The occupation regime preserved there has long since outlived itself, it has lost any connection with the aims for the sake of which it was created and with the Allied agreements on Germany on the basis of which it existed.

"The occupation rights, of course, would discontinue with the conclusion of a German peace treaty. . . ."

"The Soviet government advocates that the free city of West Berlin should freely effect its communications with the outside world and that its domestic order should be determined by the free expression of the will of its population. Of course, the United States, like all other countries, would have every opportunity to maintain and develop their relations with the free city. In general, West Berlin, as the Soviet government sees it, must be strictly neutral. . . ."

"The USSR proposes that the most reliable guarantees should be established against intervention in the affairs of the free city by any state.

"As a guarantor of the free city, token contingents of troops of the United States, the United Kingdom, France and the Soviet Union could be stationed in West Berlin, nor would the USSR object to the stationing in West Berlin of troops of neutral countries under United Nations auspices for the same purpose. The status of the free city could be appropriately registered at the United Nations and sealed with . . . [its] authority. . . ."

6. "The Soviet government proposes that a peace conference should be called . . . [to meet] without any delay, a German treaty be concluded and the question of West Berlin as a free city settled on this basis. If for one reason or another the governments of the United States and other Western powers are at present not yet ready for this, an interim solution could be adopted for a definite period.

"The 4 powers will urge the German states to agree in any way acceptable to them on the questions pertaining to a peace settlement with Germany and reunification. The 4 powers will declare in advance that they recognize any agreement which the Germans would reach.

"In case of a positive outcome of the talks between the German Democratic Republic and the Federal Republic of Germany, a single peace treaty would then be agreed to and signed. . . ."

"In order not to drag out the peace settlement it is necessary to establish deadlines within which the Germans must explore the possibilities of agreements on questions falling into their internal competence. The Soviet government regards a period not exceeding six months adequate for such talks. . . ."

7. ". . . If the United States does not show an understanding of the necessity of concluding a peace treaty, we shall regret this, since we would have to sign . . . [an East German] peace treaty, which it would be impossible and dangerous to delay further. . . ."

"The peace treaty will specifically record the status of West Berlin as a free city and the Soviet Union, like the other parties to the treaty, will, of course, strictly observe it, and measures will also be taken to see to it that this status is also respected by the other countries.

"At the same time this will also mean the liquidation of the occupation regime in West Berlin with all consequences arising therefrom. Specifically, the questions of using land, water and air communications across the territory of the German Democratic Republic will have to be settled not otherwise than through appropriate agreements with the German Democratic Republic. This is but natural since control over such communications is an inalienable right of any sovereign state."

8. "The conclusion of the German treaty will be a major step toward a final post-war settlement in Europe the Soviet Union has invariably been striving for."

The N.Y. Times reported June 12 that State Secy. Rusk, in his June 5

Week in Headlines

USSR published Khrushchev summit terms on Germany, disarmament; asked new negotiations on both questions, merger of Geneva A-test ban conference with arms talks.

UN Security Council called on Portugal to end repression in Angola, voted investigation.

Pres. Kennedy revealed back injury, asked Congress for youth employment act.

Senate passed $6.19 billion omnibus housing bill.

U.S. foreign service aide arrested on Polish spy charge.

Gen. Walker admonished for activities concerning Birch Society.

Cuban tractor-prisoner exchange talks begun; OAS started probe of Dominican Republic conditions.

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report to the NATO Council on the Khrushchev-Kennedy meeting, had rejected the Soviet memo as a basis for reopening East-West negotiations on Germany. Rusk reportedly had told the council that Soviet publication of the Vienna memos would prove they had been prepared for propaganda purposes. But the Times reported June 14 that the Western powers were consulting on a reply to the Soviet document that would open the way to resumption of negotiations on the German problem.

West German Chancellor Adenauer rejected the Soviet proposals June 11. Addressing a Hanover rally of German expellees from Silesia (incorporated into postwar Poland), Adenauer said: "We demand self-determination and freedom for all of Germany"; "we will never accept these Russian demands." Speaking in Bamberg later the same day, Adenauer asserted that "Pres. Kennedy told Khrushchev at Vienna that the security of the United States begins at Berlin."

West Berlin Governing Mayor Willy Brandt told a Berlin radio audience June 11: The Soviet proposals "cannot be accepted by the German people"; if the West failed to halt all Soviet threats to Berlin's current occupation status, it could lead to repetition of the "disastrous Munich agreement of 1938."

Soviet Berlin Protest. The USSR protested to the U.S., Britain, France and West Germany June 8 against what it said were plans to hold a meeting of the West German Bundesrat (Upper House) in Berlin June 16. Tass said the USSR had warned that the projected Berlin sessions of the Bundesrat and of several Bonn Parliamentary committees were "international provocations endangering peace." The Soviet note to West Germany warned against "unlawful interference in the affairs of West Berlin, which neither has been nor is a part of the Federal Republic of Germany."

Bundesrat Pres. Franz Meyers said June 9 that a June 16 Berlin session had been considered by the Bundesrat but had been canceled before the Soviet protest because it might have been misconstrued as commemorating the June 17, 1953 East Berlin uprising against Communist rule.

The Soviet protest was rejected in statements issued June 9 by U.S. State Department spokesman Lincoln White, West German Foreign Min. Heinrich von Brentano, the French Foreign Ministry and the British Foreign Office. [See p. 197E3]

Disarmament & A-Test Ban

Soviet Memo Asks New Talks. The 2d of the 2 Soviet policy memoranda delivered to the U.S. at the end of the Kennedy-Khrushchev meeting in Vienna called on the West to accept Soviet terms for a treaty to ban nuclear tests or to join in new negotiations both on nuclear tests and disarmament. [See p. 213B1]

The memo, made available by Tass in New York June 11, outlined the USSR's terms for accomplishment and control of a nuclear test ban and disarmament. It was presented June 12 at the deadlocked U.S.-British-Soviet conference in Geneva on a treaty to ban atomic weapons tests.

The document restated the USSR's demands for a 3-member executive to supervise a nuclear test ban, a limited number of on-site inspections of possible treaty violations, veto-free inspection of unknown earth tremors exceeding specified seismic criteria, and arms control and inspection only after the accomplishment of concrete steps toward general disarmament.

Major points of the memo:

A-test moratorium—". . . the Soviet government agreed to the American proposal that the [nuclear test-ban] treaty should temporarily exclude from the ban underground tests of nuclear weapons below a definite [seismic] threshold value. Now we must reach agreement on a moratorium on underground nuclear explosions temporarily not covered by the treaty. . . . [The] moratorium must be of such a nature that no nation could violate it arbitrarily and resume test explosions of nuclear bombs. . . ."

3-member executive—"The Soviet Union . . . considers that strict international control must be established over the cessation of tests. However, it is quite obvious that this control can be effective only if it rests on . . . mutual consent . . . and not on the desire to take advantage of the control machinery to impose the will of one group of states. . . ."

The USSR proposed that the test-ban be supervised by "an Administrative Council of 3 equal representatives, one each from the principal groups of states—the Socialist states, the countries belonging to the Western military blocs and the neutralist states." The Western proposal for entrusting a test-ban control commission to the administration of one man, a neutral, was unacceptable to the USSR because "it is well known that, while there are neutral states, there are not nor can there be neutral men." "Furthermore, the appointment of one man for implementing . . . control can be regarded as dictatorship, a desire to impose one's will."

Veto-free inspection—The Western objection that a 3-member control directorate would enable the USSR to veto inspection requests was a distortion of the Soviet position. The USSR had proposed in May 1959 that "on-the-spot inspections within the limit of the agreed quotas must be affected . . . without any voting in the control commission or any other agency."

"All that is needed are objective readings of instruments at control posts indicating that a phenomenon took place . . . which might be regarded as a nuclear explosion. If there is such [an] objective reading, the Soviet proposal envisages that neither the Control Commission nor any other body can interfere with the . . . inspection."

Inspection quota—"Our proposal of 3 inspections each on the territory [of the U.S., USSR, and Britain] . . . a year provides quite adequate guarantees against violations of the treaty on the cessation of nuclear weapons tests." The Western powers had demanded "an excessive number of inspections." The USSR could not "disregard the circumstances that while there are military alignments of states in the world, inspections can be used for intelligence purposes."

New arms talks—It was apparent "that the parties to the Geneva talks . . . now find it difficult to agree on the cessation of nuclear tests." "Would it then not be better for our countries to take up the main, cardinal question—the question of general and complete disarmament?" "Indeed, let us solve both problems in their interdependence, then the main obstacle will be eliminated which the Western powers now see in the Soviet proposal for . . . a 3-member Administrative Council."

Disarmament & control—"The Soviet government . . . is willing unconditionally to accept any Western control proposals if the Western powers accept the proposal for general and complete disarmament." It "reaffirms its readiness and in this case agrees to sign a document which will include the Western proposals on the cessation of nuclear tests." "We can take this step because the question of security of states will be on a different level in conditions of general and complete disarmament": "When all states disarm and have no means for attack on other countries, then conditions will indeed be created under which each country will have proper guarantees of its security."

Inspection without disarmament—"If the armed forces of states are maintained, no control can be separated from intelligence. Control will not be associated with intelligence only when armed forces are abolished and armaments destroyed. Then, indeed, universal control will be necessary . . . [to insure] that no group of states could secretly . . . arm themselves to prepare aggression against other states."

"At the same time, it must be acknowledged that, in present conditions, control does not in the least guarantee against attack . . . because arms and armed forces are not only maintained but also strengthened, . . . especially in the field of nuclear weapons. . . . Cessation of nuclear weapons tests does not mean cessation of their manufacture and stockpiling. The risk of war is not reduced. In these conditions, each state has the right to suspect that intelligence agencies are to be set up on the plea of [disarmament] control."

Soviet Ultimatum at Geneva. The USSR's memorandum was transmitted to the U.S.-British-Soviet nuclear

FACTS ON FILE is published weekly by Facts on File, Inc., 119 W. 57th St., New York 19, N. Y. (COlumbus 5-2011-2). Entered as 2d class matter June 24, 1941 at the Post Office in New York, N. Y., under the Act of March 3, 1879. Subscription $95 a year; Yearbooks (bound volumes) from 1945—$25 each. Cumulative Index published twice a month. Copyright 1961 by Facts on File, Inc. Edw. Van Westerborg, President & Treasurer; Lester A. Sobel, Secretary & Editor; Bernard Messinger, Business Manager.

test ban conference in Geneva June 12 as the only acceptable basis for continued negotiations.

Semyon K. Tsarapkin, chief Soviet delegate, gave the Western powers the choice of accepting the Soviet proposals for a 3-member Administrative Council and a small number of on-site inspections or of agreeing to merger of the Geneva talks within a new East-West conference on disarmament. Tsarapkin declared that the USSR would not compromise on the proposals outlined in the memorandum. He said also that it would not accept Western demands for an annual quota of from 12 to 20 on-site inspections of suspected violations in each of the 3 powers' territories and for annual renewal of the moratorium on small, undetectable underground tests not to be covered by the treaty. Tsarapkin said, however, that the USSR would be more "flexible" on the Western control proposals if a test-ban treaty were concluded as part of an agreement on general disarmament.

U.S. chief delegate Arthur H. Dean rejected the Soviet document June 12 as an attempt to "dictate" to the conference. "Today, more blatantly than ever before," he charged, "the 2 Western delegations . . . have been presented with the Soviet position on a take-it-or-leave-it basis." Sir Michael Wright of Britain termed the memorandum an "ultimatum."

Western Draft Presented. A Western draft of a proposed nuclear test ban treaty, incorporating the major proposals made to the conference since it began Oct. 31, 1958, was presented to the conference Apr. 18 by Dean on behalf of the U.S. and Britain.

The Western draft, submitted to serve as "a focus for discussion," contained these major provisions, among them the concessions offered by the West when the conference had resumed Mar. 21:

- Cessation of all nuclear tests on the earth's surface, in the atmosphere, in space and under water; all underground detonations producing seismic shocks of 4.75 or higher on the Richter Magnitude Scale similarly would be banned.
- A voluntary moratorium on all underground tests beneath the 4.75 level, considered by the West to be undetectable with certainty and hence excluded from the treaty. The moratorium would extend for 3 years and would be renewable annually pending the perfection of techniques for detection of small underground tests.
- A quota of up to 20 on-site inspections annually of suspected clandestine nuclear tests on the territory of each of the 3 powers. Inspection teams would not include nationals of the country inspected, but Soviet observers would be permitted to accompany teams operating in the USSR.
- Direction of the international control commission to be created by the treaty by a single administrator acceptable to all 3 powers. The USSR would be given the right to name 2 of the control commission's deputy administrators.

Tsarapkin rejected the Western draft Apr. 19 as "unacceptable to the USSR." He reiterated the USSR's demands that on-site inspections be limited to 3 annually in each of the 3 countries and that any inspection teams operating in the USSR include Russians. (Tsarapkin had announced Apr. 10 the USSR's acceptance of Western proposals for insuring East-West parity on the projected control commission by the allocation of 4 seats for Western nations, 4 for Soviet bloc states, and 3 for neutral countries.)

Warning on French Test. The USSR threatened May 15 to resume its nuclear test program unless the U.S. and Britain took steps to insure that France halted its atomic tests. Tsarapkin warned that if France carried out any new nuclear tests in defiance of the Soviet warning, its action would "free the Soviet Union to resume testing of nuclear and hydrogen bombs." Tsarapkin accused the U.S. and Britain of having encouraged the continued French test program in order to obtain new weapons research data without resuming their own nuclear test programs.

The Soviet charge was rejected as ridiculous by the U.S. and Britain. (France had detonated its 4th nuclear device Apr. 25 near Reggan, in the Sahara Desert.)

West Offers 12-20 Inspections. The U.S. and Britain offered May 29 to abandon their demand for a minimum annual quota of 20 on-site inspections of suspected treaty violations and to accept instead a variable annual quota providing for a minimum of 12 and a maximum of 20 such inspections.

Under the Western plan, a minimum of 12 on-site inspections annually of suspicious seismic events registering 4.75 or more on the Richter Magnitude Scale would be permitted on the territory of each of the 3 powers. One additional on-site inspection, up to a total of 20, would be added to the annual quota applied to each signatory for every 5 seismic events (of 4.75 or higher reading) above a fixed quota of 60 such events for each country. The Western compromise was advanced in an effort to meet Soviet objections that the number of unidentifiable seismic events occurring in the USSR was far below Western estimates.

(Western scientists had estimated that at least 100 unverifiable seismic events that could be attributed to nuclear detonations occurred each year on Soviet territory. The initial Western demand for 20 annual on-site inspections in the USSR was based on one inspection for each 5 unverifiable earth tremors of 4.75 or higher magnitude.)

Tsarapkin rejected the Western proposal May 31. He asserted that the inspection quota sought by the West still was "artificially high" and that an acceptable quota would have to be determined politically, rather than scientifically.

Dean challenged the Soviet delegation June 7 to publish the West's draft treaty and concessions in the USSR to give the Soviet people an opportunity to judge the sincerity and feasibility of the proposals.

JFK on Geneva Talks. Washington sources reported June 6 that Pres. Kennedy had informed Congressional leaders of both parties that the U.S. did not plan to break off the Geneva negotiations despite the apparent lack of progress toward a nuclear test ban agreement. The President, briefing a Congressional group led by House Speaker Sam Rayburn (D., Tex.) on the results of his Vienna talks with Premier Khrushchev, reportedly disclosed, however, that the Administration was studying alternatives to the Geneva negotiations.

Mr. Kennedy had told a Washington news conference Apr. 21 that he was "very discouraged" by Soviet insistence on a 3-member executive for the proposed nuclear test control commission. He said that "it is quite obvious that the Senate would not accept such a treaty nor would I send it to the Senate, because the inspection system then would not provide any guarantees at all." The President reiterated to newsmen May 5 that the U.S. would continue the Geneva talks but that he had asked Dean to report "within a reasonable time on the prospects for a constructive outcome."

Angola

UN Condemns Portugal. The UN Security Council June 9 by a 9-0 vote (Britain and France abstaining) approved a resolution that called on Portugal to (1) halt "severely repressive measures" in Angola and (2) to "extend every facility to" a 5-nation subcommittee (Bolivia, Dahomey, Malaya, Finland and the Sudan) to enable it to investigate conditions in Angola. (The subcommittee was to report its findings to the council and UN General Assembly "as soon as possible.")

The council rejected a Soviet move to include in the resolution a phrase "condemning the colonial war against the Angolan people." [See p. 158A1]

Salazar Defends Policy. Portuguese Premier Antonio de Oliveira Salazar discussed U.S.-Portuguese differences over Africa and Portugal's Angolan policies in a May 29 Lisbon interview published in the N.Y. Times May 31. Salazar's answers, in written form, were in response to questions submitted the previous week.

Salazar said:

- The U.S.' African policy had not achieved "great success" for the U.S., the West or the "populations concerned." The U.S.' "policy of self-determination" appeared to stress "political emancipation of territories in order to form small states," rather than "a gradual preparation" toward eventual formation of larger, more viable political units. A U.S.-Portuguese "understanding" on African policy was needed "to avoid situations which might be prejudicial" to the U.S., the West and Portugal.
- Portugal had been "forced" to use "military means" to combat Angolan

"violence and savagery" "instigated and directed from the outside."

● "Once order is established," Portugal would introduce political, social and economic reforms in Angola.

● Portugal would continue to strive to integrate its 10 million African subjects in Angola and Mozambique into a "multi-racial" society.

● The Portuguese Overseas Minister had "remodeled" Angola's information and public relations service to provide better press coverage of events in the territory. A "lack of objectivity" on the part of some foreign correspondents had forced Portugal to impose censorship temporarily.

● Portugal had no intention of withdrawing from the UN "at the moment" despite UN criticism of Portuguese policy. [See p. 158D1]

Charge Vs. Ghana Retracted. Portugal's minister for overseas territories, Dr. Adriano Moreira, back in Lisbon from a 3-week tour of Angola, said May 24 that a May 12 report that 71 Ghanaian soldiers had been captured fighting for the Angolan rebels had proven to be false. Moreira explained that Portuguese officials near the jungle border post of Maquela do Zombo had mistakenly assumed that some rebel captives were Ghanaians since they reportedly spoke English but no Portuguese. Moreira confirmed reports that white Portuguese in Angola had committed excesses against Africans. He said he had ordered the arrest of several whites "for these unlawful acts."

Salazar June 3 appointed Air Force Gen. Venancio Augusto Deslandes to head all civil and military forces in Angola. He was to replace Gov. Gen. Alvaro Rodrigues da Silva Tavares. Deslandes was to assume the titles of governor general and commander in chief of all Angolan armed forces. [See p. 187C3]

Congo Abrogates Pacts. The Congo Republic (Léopoldville) June 4 renounced all treaties with Angola to protest the "massacres and tortures of the defenseless" in Angola. The pacts, signed before the Congo gained its independence from Belgium in 1960, included treaties for the joint defense of the lower Congo area, which included part of Angola. [See p. 157F3]

NATIONAL AFFAIRS

The President

Back Strained. White House Press Secy. Pierre Salinger disclosed June 8 that Pres. Kennedy had been in "constant discomfort" since he had strained his back at a tree-planting ceremony in Canada May 16. [See p. 175G3]

Salinger said the President's physician, Dr. Janet G. Travell, had described the pain as "something like a steady toothache" and the injury as a lumbo-sacral strain, a strain of the joint between the lowest lumbar vertebra and the sacrum. She said the injury was not connected with Mr. Kennedy's previous back injuries. For treatment she had recommended novocain injections, heat-pad applications and swimming in a heated pool. Salinger revealed that the President had used crutches while at Hyannis Port prior to his European trip.

Dr. Travell accompanied the President when he left June 8 by plane for a rest at the Charles B. Wrightsman home in Palm Beach, Fla. He began using crutches June 9 and swimming in the heated pool. His condition was described as "improved" and "improving" while in Palm Beach, but he used crutches, did not attend church services June 11, extended his stay one day and used mechanical lifts to board and leave the plane when he returned to Washington June 12. Mr. Kennedy resumed active work June 12 but remained at the White House and conducted one meeting from bed.

Salinger said June 13 that "ultra sound" or high-frequency vibrations was being added to the treatment of hot pads, aspirin-like pills and swimming. Salinger, referring to the back injury as a "minor ailment," revealed that Dr. Preston Wade, chief of the Combined Fracture Service of N.Y. Hospital and professor of clinical surgery at the hospital's Cornell Medical College, had examined the President in Florida June 11 and had confirmed Travell's diagnosis that the strain was unrelated to earlier back injuries and that no nerve pressure or irritation was present. Wade had examined Mr. Kennedy in 1957. (Asst. White House Press Secy. Andrew Hatcher had incorrectly replied "no" when asked in Palm Springs whether a specialist had been called. Salinger said June 13 that Hatcher had not known Wade had been called.)

The President put in active days at the White House June 13-14, but he used crutches. [See Vol. XX, p. 244G2-D3]

Youth Job Act Urged. Pres. Kennedy submitted to Congress June 7 a draft bill for a 1961 Youth Employment Opportunities Act. Its goal: the employment and training of an estimated 75,000 youths aged 16-22. The bill called for 3 3-year programs estimated to cost $75 million the first year and $100 million each succeeding year.

The proposed programs, to be conducted by the Labor Department, would: (1) provide on-the-job training in subsidized programs conducted by industry, unions and educational institutions, with trainees getting $20-a-week allowances; (2) provide public service training in schools, hospitals, parks and other public facilities, with trainees receiving $20 weekly allowances; (3) create a Youth Conservation Corps under which 17-22-year-old males would live and work in camps while training for conservation work under supervision of federal and state agencies, with trainees getting $70 monthly as base pay (state agencies involved were to defray up to ½ the costs of the latter projects).

A Labor Department memorandum accompanying the bill said the January unemployment rate for youths aged 16-20 had been 16.8%, more than twice the rate for all ages. Labor Secy. Arthur J. Goldberg, at a National Committee on Children & Youth conference in Washington May 24, stressed the unemployment problems of Negroes and Puerto Rican youths in big-city slums. [See p. 101C3]

Jobless-Aid Plan. Pres. Kennedy sent to Congress June 13 a draft bill to modernize the federal-state unemployment system by providing both "recession-only" and permanent benefit payments.

The bill would make permanent the current temporary 13-week extension of federal-state unemployment benefits to "steady workers" (jobless persons who had worked at least 78 weeks full- or part-time during the preceding 3 years). The bill also would provide a permanent program under which "steady workers" who had exhausted their regular benefits would be eligible to receive additional federal unemployment compensation equal to ½ the benefits they had been getting. The "steady worker" limitation would be waived and benefits extended to all jobless workers whose benefits were exhausted when both (a) the number of the latter during the preceding 3 months equaled or exceeded 1% of the total covered by the state and (b) the seasonally adjusted unemployment rate was 5% for the same period.

The bill would provide jobless benefits coverage for 3 million additional workers would raise jobless benefits to 50% of a worker's regular wage or to 50-66% of the state's average weekly wage, whichever was lower, would increase the taxable wage base from $3,000 a year to $4,800 and would cancel employers' tax credits in states that refused to match federal standards. [See pp. 101E2, 43E3]

Peace Corps Bill. Pres. Kennedy sent to Congress May 31 a bill (a) to make the Peace Corps permanent and (b) to authorize fiscal 1962 appropriations of $40 million to enable 500-1,000 volunteers to be sent abroad in 1961 and to have a total of about 2,700 overseas or in training by June 1962. [See p. 184F-G3]

Peace Corps director R. Sargent Shriver urged U.S. business and industry June 7 to give 2-year leaves of absence with re-employment benefits to employes who joined the Peace Corps. Shriver, speaking at De Paul University commencement exercises in Chicago, also urged labor unions to grant "re-employment rights" to prospective corps members. He said the corps needed "the kind of trained and aggressive people who make a success in business."

Shriver, who recently had completed a worldwide trip, said there was a need for 50,000 trained personnel in 103 underdeveloped areas and that the critical need was for "middle manpower"—between highly skilled top leaders and manual laborers. He said: (a) the Peace Corps had received requests for a total of 4,000 corpsmen; (b) 10,000 applications to join the corps had been received; (c) 4,000 had taken the "first battery of Peace Corps examinations" conducted May 27 and June 5. [See p. 184F-G3]

Maritime Reorganization. A bill to separate the regulatory functions of the Federal Maritime Board from its promotional and operational functions

was submitted to Congress by Pres. Kennedy June 12. His bill would abolish the Federal Maritime Board and transfer its regulatory power to a proposed 5-member Federal Maritime Commission and its ship-subsidy authority to the Commerce Secretary. [See p. 164D1]

Commencement Addresses. Pres. Kennedy spoke at the U.S. Naval Academy graduation exercises at Annapolis, Md. June 7. He warned the midshipmen that "few of the important problems of our time have, in the final analysis, been finally solved by military power alone." He urged them to seek understanding of other countries as well as of the U.S., and of economics, politics, diplomacy and history as well as of military tactics. He presented diplomas to the top 95 of the class of 784 graduates. (Jerome Frost Smith Jr. of San Diego, Calif. was top honor graduate with the equivalent of a 93.4% average.)

Vice Pres. Johnson addressed the 534-member graduating class of the U.S. Military Academy at West Point, N.Y. June 7. He stressed that military policy and organization must undergo constant reassessment if the U.S. were to maintain "the utmost conventional [non-nuclear] advantage over an enemy" and thus "deter aggression without inviting annihilation through ultimate war with ultimate weapons." (John J. Kammerdiener of Alice, Tex. was top honor graduate.)

State Secy. Rusk revealed in a graduation address at the Foreign Service Institute in Washington June 9 that Pres. Kennedy had sent to all American ambassadors personal letters stressing their full responsibilities for all U.S. activities in their assigned countries. Kennedy's action was taken to prevent U.S. embassies from being bypassed by U.S. agencies working abroad. Ex-Pres. Eisenhower had issued a similar order in Nov. 1960. "We expect our ambassador . . . if necessary to take charge of all the [U.S.] officials who are in that country working with him," Rusk said.

Congress

Housing Bill. The Senate June 12 passed and sent to the House by a 64-25 vote (52 D. & 12 R. vs. 17 R. & 8 D.) a slightly modified version of the Administration's $6.19 billion omnibus housing bill (S1922).

The bill's provisions were similar to the recommendations in the President's Mar. 9 housing message. His controversial 40-year home-mortgage proposal narrowly escaped deletion after a 13½-hour Senate debate that ended 1:35 a.m. June 9. Senate debate on the bill had begun June 1.

The Senate bill would enable moderate-income families ($4-$6,000 a year) to get 40-year mortgages with down payments of 3% on the first $13,500 of a new home's cost and 10% on the remainder, up to a maximum of $15,000. It would provide for 20-year home-improvement loans up to a limit of $10,000 each.

The bill would also provide: (a) a $2½ billion, 4-year grant program for urban renewal and slum-clearance ($50 million of this would be for demonstration projects on city mass-transit systems); (b) a $1.35 billion, 5-year program for college dormitories; (c) a $1.2 billion, 6-year direct home-loan program for veterans; (d) $750 million for Federal National Mortgage Association programs, including aid to moderate-income families; (e) a $100 million loan program for mass transit systems; (f) an $80 million grant program for urban renewal planning assistance; (g) a $50 million direct loan program for housing for the elderly; (h) a $50 million loan program for cities' public facilities; (i) a $50 million loan program under the Small Business Administration for relocation of businesses; (j) a $10 million grant program for demonstration projects on new types of public housing.

The 13½-hour Senate debate on the bill was brought about by a surprise proposal June 8 of Sen. Albert Gore (D., Tenn.) to eliminate the provision for 40-year, no-down-payment mortgages for moderate-income families. Gore's amendment was accepted by a 49-44 vote (30 R. & 19 D. vs. 41 D. & 3 R.). Administration backers, led by the bill's floor-manager, Sen. John J. Sparkman (D., Ala.), rallied and tried to gain acceptance for Sparkman's amendment to restore the original 40-year mortgage provision with the 3% down payments. Before accepting the Sparkman amendment, however, the Senate amended it to include proposals of Sen. Homer E. Capehart (R., Ind.) to eliminate public agencies from the rental housing program and to require uniform interest rates for all borrowers. An amendment to limit the below-the-market rental program to displaced families was defeated by a 46-45 vote. It had been proposed by Sen. Prescott Bush (R., Conn.). Sparkman's amendment finally was passed by a 47-42 vote (43 D. & 4 R. vs. 27 R. & 15 D.).

Sen. A. Willis Robertson (D., Va.) aided Gore and Capehart in leading the opposition to the 40-year mortgage provision. Capehart disapproved of "public housing for so-called middle-income people" and Gore's opposition was based on the consideration that the provision would do little to encourage private home-ownership. Others opposed the 40-year mortgages on the grounds that buyers would get little equity for many years in homes purchased under such long mortgages.

Another provision of the original Administration bill—to authorize $100 million for cities and states to buy and reserve "open lands" for parks and other developments—was eliminated June 8 by acceptance of an amendment offered by Sen. Francis Case (R., S.D.).

Among amendments accepted: June 2—A proposal of Sen. George D. Aiken (R., Vt.) to include private and cooperative water facilities in the public facilities program. June 7—A Capehart amendment on the home-improvement provision to reduce from 25 years to 20 years the maximum term and to limit it to homes at least 10 years old (the Senate rejected Capehart's amendment to cut the maximum loan from $10,000 to $7,000 and the maximum term from 25 to 15 years). June 8—An amendment offered by Sen. Jack Miller (R., Ia.) to include civil defense fallout shelters in demonstration projects; one by Sen. J. W. Fulbright (D., Ark.) to authorize federal savings and loan associations to lend up to $250,000 to state business development credit corporations.

Among proposals rejected June 7-8 were a series of amendments by Capehart to: (a) delete the provision to encourage nonprofit organizations and public agencies to build rental housing at a 3⅛% interest rate; (b) reduce to 30 years the 40-year moderate-income mortgages; (c) reduce from 100,000 to 37,000 the number of low-rent public housing units authorized.

Among other proposals rejected: June 7—A substitute bill offered by Sen. Jacob K. Javits (R., N.Y.) to establish a Federal Limited Profit Mortgage Corporation to aid middle-income housing. June 8—An amendment by Sen. Hubert H. Humphrey (D., Minn.) to raise from 2/3 to ¾ the federal share of urban renewal grants to distressed-area cities with populations under 150,000; an amendment by Sen. Frank Lausche (D., O.) to delete the authorization for mass transportation projects (rejected by a 46-44 vote); an amendment by Sen. Joseph S. Clark (D., Pa.) to provide $500,000 annually for 3 years for city planning and urban studies fellowships. [See p. 121F-G1]

Tax Rate Extension. The House June 8 passed and sent to the Senate by a 295-88 vote a bill (HR7446) to extend for one year the current corporate income tax rate, excise tax rates on autos, liquor and tobacco and taxes on local telephone calls and passenger transportation.

A strong Republican effort to repeal the 10% transportation tax in the interest of meeting foreign-lines competition was rejected June 8 by a 196-189 vote (189 D. & 7 R. vs. 146 R. & 43 D.). Rep. Bruce Alger (R., Tex.) had offered the amendment.

The extension was the 9th granted to the so-called Korean War increases first approved in 1953.

The House Ways & Means Committee, reporting the bill June 5, had said it had not acted on the President's request for a tax on aviation fuel pending further study. Chrmn. Wilbur D. Mills (D., Ark.) said June 8 that the committee favored a general rather than a piecemeal revision of taxes. [See p. 150G3]

Politics

Tower Wins in Texas. John Goodwin Tower, 35, became the first Republican Senator from Texas since 1877 when he won a special election May 27 over the interim appointee, Sen. William A. Blakley (D.). The election was for the seat vacated by Vice Pres. Lyndon B. Johnson. Tower's election changed the Senate political lineup to 64 Democrats and 36 Republicans.

Tower won by 10,260 votes out of approximately 890,000 cast. He was considered to be as ultra-conservative as Blakley and had refused ex-Vice Pres. Richard Nixon's offer to campaign for him on the grounds that Nixon did not stress conservatism. Sen. Barry Goldwater (R., Ariz.), however, campaigned for Tower.

Tower had been an associate professor of political science at Midwestern University (Wichita Falls, Tex.) until 1960. [See p. 130B3]

Yorty Defeats Poulson. Republican Mayor Norris Poulson was defeated by ex-Rep. Samuel William Yorty (D.) 51, in the Los Angeles mayoral election May 31. Yorty received major support from Negro and Mexican-American voters. He was not backed by the Los Angeles Democratic leaders, who had endorsed Poulson. Yorty had actively supported the Presidential campaign of ex-Vice Pres. Nixon. [See p. 130C-D3]

Mrs. Reece Elected. Louise Goff Reece (R.) 68, was elected by a landslide May 16 to the Tennessee first Congressional district seat left vacant by the death of her husband, B. Carroll Reece. Mrs. Reece vowed "to con-

tinue the conservative Republican policies of my husband." [See p. 136B2]

Kunkel Returned to House. Ex-Rep. John C. Kunkel (R.), 62, won a special election May 16 to fill Pennsylvania's 16th Congressional district seat left vacant by the death of Rep. Walter M. Mumma (R.). He defeated Mrs. Kathryn Z. Vanderslice (D.). [See Vol. X, p. 158D]

Morris Udall Elected. Morris K. Udall, 38, Democrat, was elected May 2 to the Arizona 2d Congressional district seat vacated by his brother, Interior Secy. Stewart L. Udall. His Republican opponent, Mac C. Matheson, also had been defeated by Stewart Udall in 1960. Morris Udall was sworn in as a representative May 17. [See p. 24A-B3]

Miller Voted GOP Chairman. Rep. William E. Miller (R., N.Y.), 47, was elected chairman of the Republican National Committee June 2. He succeeded Sen. Thruston B. Morton (Ky.), who resigned to campaign for reelection. Miller had been chairman of the National Republican Congressional Committee since Jan. 21, 1960.

Labor

Industrial-Craft Dispute. Internal dissension in the AFL-CIO broke into the open following a closed-door meeting in New York Apr. 13 of 90 leaders of 30 industrial unions representing 6 million members. AFL-CIO Vice Pres. Walter P. Reuther (who, with AFL-CIO Vice Pres. James B. Carey, had called the "mobilization" meeting) confirmed afterwards that the group was unhappy over AFL-CIO "problems of jurisdiction and boycotts of industrial union products by craft workers." The group reportedly agreed to work independently of the AFL-CIO in organizing and legislative matters.

Tension between industrial and craft unions reportedly had been heightened when the Industrial Union Department, headed by Reuther, withdrew its support of a Building & Construction Trades Department attempt to seek a Taft-Hartley amendment. The IUD wanted the proposed amendment to include a provision to sanction construction-site picketing by industrial unions.

The dissident industrial group aired its complaints at a meeting with AFL-CIO Pres. George Meany in Washington Apr. 24. Meany charged in a phone interview reported in the N.Y. Times Apr. 26 that key leaders of industrial unions were waging a campaign to blame him for all the federation's troubles. He conceded that at least 6 AFL-CIO vice presidents had violated the federation's no-raiding pact and that the threat of expulsion was not an effective weapon against raiding.

(Reuther Mar. 31 denied Teamsters Pres. James R. Hoffa's Mar. 30 claim that Reuther had phoned Meany and proposed that the Teamsters be readmitted to the AFL-CIO.) [See Vol. XX, p. 97A-B1]

(NAACP Exec. Secy. Roy Wilkins May 1 criticized the dismissal of Theodore E. Brown, a Negro, as assistant director of the AFL-CIO's civil rights department. AFL-CIO Vice Pres. A. Philip Randolph, a Negro, had asked Meany to reconsider Brown's dismissal, which reportedly was based on alleged misuse of an air-travel card.) [See pp. 102C1, 57E1]

UAW for New Wage Law. UAW Pres. Walter P. Reuther urged organized labor Apr. 27 to back a drive for a wage law that would authorize reduction of the 40-hour wage week without loss in pay during periods of serious unemployment. Reuther made the proposal at the opening session of a UAW collective bargaining convention in Detroit Apr. 27-29. To finance the proposed work-week adjustment payments, Reuther suggested the establishment of a national fund by levying a 1% tax on corporation payrolls.

Reuther praised Administration efforts against unemployment but said the U.S. needed "deep economic surgery" to combat recurrent recessions as well as "a few more aspirin" to combat unemployment. He also proposed (a) the creation of a national planning agency to inventory the U.S.' basic needs, (b) an international fair labor standard act to require foreign companies selling products in the U.S. to pay a basic minimum wage, (c) protection for workers unemployed through plant-closings.

The UAW convention Apr. 27 adopted Reuther's wage-law proposal with a provision that the work-week should be reduced automatically when unemployment rose above 2-2½% of the labor force, with further reductions at specified higher levels.

The convention also adopted a broad program of demands intended to emphasize workers' problems rather than specific contract proposals. The demands included annual salaries instead of hourly wages for workers and sabbatical leave for production workers.

The convention Apr. 28 rejected proposals by some delegates for a campaign to seek a 30-hour work-week at no loss of pay.

Other major unions advocating a cut in the 40-hour work-week to combat the effects of unemployment were the AFL-CIO United Steelworkers (at an executive board meeting in Miami Beach, Fla. Feb. 19) and the unaffiliated International Longshoremen's & Warehousemen's Union (at a convention in Honolulu Apr. 4). The AFL-CIO International Association of Machinists had warned its members Apr. 16 that its advocacy of cutting the work-week from 40 to 35 hours was being endangered by its members' "moonlighting" (working 2 or more jobs).

Other U.S. News

Scarbeck Seized on Spy Charge. U.S. Foreign Service officer Irvin Chambers Scarbeck, 41, was arrested in Washington June 13 on espionage charges. He was accused of transmitting classified documents to the Polish government during January-May. The Justice Department said Scarbeck had confessed. The data given the Reds reportedly was political and contained no vital military secrets.

Scarbeck, a 2d secretary in the U.S. Embassy in Warsaw since Dec. 14, 1958, had been ordered home during leave in Germany the week prior to his arrest. (His wife and children remained in Dusseldorf.) He was suspended from the Foreign Service on his arrival in the U.S.

A native of New York, Scarbeck had served in the Army as a translator with a staff sergeant's rank during World War II. After his discharge in 1946, he remained in Germany and joined the State Department in 1952. In 1959 he received a State Department meritorious service award for work on student exchange programs. His duties in Warsaw—largely of housekeeping nature—consisted of maintaining embassy property, requisitioning supplies and making transportation arrangements.

Chrmn. J. W. Fulbright (D., Ark.) of the Senate Foreign Relations Committee said June 13 that he had been "informed a Polish blonde seduced him [Scarbeck] and then blackmailed him." State Secy. Dean Rusk said the espionage charge was the first ever taken to court against a Foreign Service officer. [See Vol. XX, p. 420C1-A2]

Walker Admonished. Army Secy. Elvis J. Stahr Jr. announced June 12 that Maj. Gen. Edwin A. Walker had been given an oral "admonishment" as a result of the Army's investigation of the charge that Walker had named prominent Americans as Communists and "pinks." Walker also had been accused of disseminating John Birch Society views among his troops while he was 24th Division commander.

The admonishment, for "taking injudicious actions and for making derogatory public statements about prominent Americans," was the lightest "corrective measure" the Army could impose. It was delivered by the European Army commander, Gen. Bruce C. Clarke.

The investigation, conducted by Lt. Gen. Frederick J. Brown, 5th Corps (Germany) commander, concluded that Walker's program "was not attributable" to any Birch society program. But the announcement accused Walker of engaging in "controversial activities" beyond his "prerogative" and "contrary" to military customs.

Walker's previously announced assignment as 8th Corps commander (Austin, Tex.) was canceled, and he was to remain the European Army's deputy chief of staff for operations. [See p. 141F2-F3]

(Another charge that U.S. troops were being indoctrinated with Birch society views was made by Socialist leader Norman Thomas in New York Apr. 19. Thomas said a "false and misleading" film called "Communism on the Map" had been distributed to the Navy and other armed forces by the National Education Program [NEP], which he called a Birch society "front." The film had not been indorsed by the Defense Department, but some local commands had bought it. Thomas said an NEP brochure claimed that 50 sets of the film had been bought by the Navy. The Navy was reported Apr. 20 to have notified local commands to stop showing the film.

NEP Pres. George S. Benson, Harding College [Searcy, Ark.] president, said in San Diego, Calif. May 9 that many persons considered the film "factual [and] realistic." He denied that the NEP was a Birch society "front." He said an NEP aim was to inform people about communism.)

Powell Charge Dropped. The sedition indictment against John William Powell, 41, his wife Sylvia, 40 and Julian Schuman, 40, was dismissed by U.S. Judge Louis E. Goodman in

San Francisco May 2. The Justice Department had requested the dismissal after Goodman ruled that former Korean war prisoners could not be called as witnesses. Treason complaints against the 3 had been dismissed in 1959. [See Vol. XIX, p. 283E-F1]

Winston Suit Dismissed. U.S. District Judge Thomas F. Murphy in New York May 12 dismissed a $1 million damage suit against the U.S. brought by jailed Communist leader Henry Winston, 50, who had charged that he had suffered total blindness as a result of "negligence" in the diagnosis and removal of a brain tumor he suffered while in federal prison. [See Vol. XVIII, p. 254A-B3]

— LATIN AMERICA —

Bolivia

Plot Smashed. Bolivia was placed under a state of siege June 7 after the government announced that it had smashed a Communist plot to overthrow Pres. Victor Paz Estenssoro's régime and establish a "Socialist country" similar to Cuba. Constitutional guarantees were suspended, and police arrested about 70 persons, mostly leftist labor union leaders. Among those imprisoned were tin mine union leaders Ireneo Pimentel and Federico Escobar and Felipe Inguez of Oruro University, CP candidate in the past 2 presidential elections.

The government June 8 publicized documents allegedly linking the Cuban Embassy in La Paz with the plot. According to the documents, the alleged plotters had aimed to (1) end U.S. influence in Bolivia, (2) abolish the army, (3) nationalize major industries and (4) oppose the Bolivian Roman Catholic church.

Workers in 5 mine districts went on strike by June 9 to support demands for the release of Pimentel and Escobar. Siglo Veinte and Llalagua district mine workers imprisoned local officials and threatened to hold them until the 2 union leaders were freed.

Strikes of non-mine employes were reported in La Paz and Orura.

Juan Campos, vice president of Chile's central labor organization, said June 10 on his return from a visit to Bolivia that the story of a "Communist-inspired plot" was untrue. He charged that the Bolivian government was using it as a pretext to try to get U.S. aid commitments from Adlai Stevenson, who was scheduled to visit Bolivia June 15-16. [See pp. 95B2, 86G1, 66A3]

Brazil

Recife Student Riots. Brazilian troops June 7 ousted striking students from the University of Recife's law school. The students had gone on strike and occupied the building to protest the school's refusal to let Celia Guevara, mother of Cuban Industry Min. Ernesto (Ché) Guevara, make a speech on school grounds. (She later addressed the students elsewhere.) The students demanded the resignation of the law school dean, Dr. Soriano Neto, who had banned the speech.

Troop reinforcements were airlifted to Recife June 8 as students ignored an appeal by Pres. Quadros to return to their classes pending discussion of their grievance. Additional reinforcements were brought to Recife June 10 by 3 naval ships and planes as students clashed with troops. The soldiers dispersed demonstrators with tear gas bombs. The strikers set up headquarters on the grounds of the Pernambuco State Legislature in Recife.

A committee to investigate the riots was sent to Recife by the Federal Chamber of Deputies. It was headed by opposition leader Aderbal Jurema.

40 students at São Paulo's law school supported the Recife strikers June 9 by breaking street lights and upsetting refuse cans. They were dispersed by police. [See p. 19C3]

Red Trade Pacts. Special Amb. João Dantas, back from a visit to Communist countries in Eastern Europe, announced May 28 that he had signed agreements for $1.665 billion worth of trade with Albania, Bulgaria, Rumania, Hungary, Poland, Czechoslovakia, East Germany and Yugoslavia. Foreign Min. Affonso Arinas de Mello Franco, in recent TV interviews, had backed an expansion of Brazilian dealings with Communist countries.

The Soviet government announced May 27 that Brazil and the USSR had agreed to (1) expand trade to a total of up to $80 million a year, (2) exchange permanent trade missions and (3) plan a Soviet trade fair in Brazil in 1962. [See pp. 169A1, 106D2; Vol. XX, 299D1]

Cuba

PW-Tractor Talks. 4 U.S. farm machinery experts, representing the Freedom for Tractors Committeee, arrived by plane in Havana June 13 and began negotiations on Premier Castro's offer to exchange 1,214 captured rebels for 500 U.S. tractors. The Americans conferred for more than 2 hours with Pres. Osvaldo Dorticós Torrado after meeting earlier June 13 with the 10 rebel prisoners who had dealt with the tractors committee in Washington May 22.

Tractor committee representatives: Duane P. Greathouse, 45, a UAW vice president; Roy Bainer, 59, chairman of the University of California's Department of Agricultural Engineering; Prof. John Bruce Liljedahl, 42, of Purdue University's school of Agriculture; Asst. Prof. Clarence M. Hensen, 48, of Michigan State University's school of agriculture.

In accepting Castro's June 7 offer to negotiate the exchange in Cuba, the committee announced June 8 that it was prepared to send the first 100 tractors to Cuba by June 22. [See p. 209B2]

U.S. Invasion Rôle Argued. U.S. Rep. William E. Miller (R.,N.Y.), GOP national chairman, charged in a TV-radio broadcast June 11 that the Apr. 17 Cuban invasion had failed because Pres. Kennedy had "rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American airpower." Miller said Mr. Kennedy's "most tragic" mistake was his announcement "to the world that he had rescinded this order, that the Americans wouldn't do a single thing to help the Cuban freedom fighters." Miller asked: "How would you expect the [Cubans] to rise up . . . after this fiasco, inaugurated solely by the Kennedy Administration, . . . in the form in which it was undertaken?"

Sen. Hugh D. Scott (R., Pa.) appearing on the same program, attributed the failure of the Cuban invasion to Mr. Kennedy's refusal to "support the Cubans with American naval forces, American supplies and American air cover."

Sen. Joseph S. Clark (D., Pa.), also on the program, said: "The whole [U.S.] Cuban policy resulted from a plan conceived by Mr. Eisenhower, known in full by Mr. Nixon, although the knowledge was denied by him during the [1960 election] campaign, which called for the violation of our treaties, the violation of our agreement" with the OAS and the invasion of Cuba with U.S. troops; "Pres. Kennedy had the wisdom not to go in with those American troops."

Ex-Pres. Eisenhower said at a Cincinnati news conference June 12 that he had ordered Mar. 17, 1960 that Cuban refugees in the U.S. be organized, trained and equipped for possible action. He denied, however, that he had forwarded a specific plan to provide U.S. air cover for a Cuban invasion since no exact invasion plan had been drawn up. Eisenhower said he had advised that "no amphibious operation could succeed unless it had air cover." [See p. 159G1]

UN Grants Aid. The UN Special Fund's governing council May 24 approved a $3,035,600 agricultural study for Cuba despite U.S. objections. (The project was one of 42 in 36 countries in a $34,643,000 program approved by the council.) The fund was to pay $1,157,600 and Cuba $1,878,000 for a study of Cuban livestock production, soil classification, conservation and crop diversification. The U.S.' fund delegate, Philip M. Klutznick, reportedly had objected to the program on the ground that it probably would fail because (a) Cuba had slaughtered 2½ million of a "basic herd" of 6 million cattle that was to have been used in a livestock program and (b) the Santiago de Las Vegas planning station, site of the project, had fewer trained agronomists than Cuba had reported when applying for the aid (the missing agronomists reportedly had fled Cuba).

Education Nationalized. Cuba's educational system was nationalized under a decree approved by the Cuban cabinet June 7. The law said the government would provide free education and "take over all educational establishments that . . . are directed by individuals or legal entities, as well as all the buildings, rights and shares that . . . constitute the assets of those

establishments." The decree affected about 1,000 private schools, some of which, including Roman Catholic schools, already had been seized by the militia. [See p. 169G2]

Dominican Republic

OAS Starts Probe. An OAS fact-finding commission arrived in the Dominican Republic June 7 to investigate conditions there in the wake of Rafael Trujillo's assassination. Commission members: Augusto Guillermo Arango of Panama, chairman; Gerald A. Drew of the U.S.; Dr. Alberto Angel Zuleta of Colombia; Carlos Alberto Clulow of Uruguay.

On the commission's arrival, the DR government announced a decree to provide protection for persons who denounced "arbitrary conduct" or "abuse of power" by any official or government employe.

The OAS commission met June 8 with DR Foreign Min. Porfirio Herrera Baez and Pres. Joaquín Balaguer. Arango said afterwards that the DR government had promised that no reprisals would be taken against anyone giving evidence to the OAS group.

(A potential witness to DR political conditions, Maj. Delio Gomez Ochoa, 29, was suddenly released from prison June 9 and left for Havana. Gomez had been sentenced to 30 years in prison for participating in the June 19, 1959 invasion of the DR. Gomez reportedly had told an American friend that he believed he and Pablo Miraval, 15, who also was released from prison, were the only survivors of 50 who had landed in the DR in a C-46. Gomez said he had seen most of the other C-46 captives killed after being tortured.) [See Vol. XIX, p. 235F1]

The OAS commission June 10 interviewed 40 relatives of alleged assassination plotters imprisoned in 2 houses outside Ciudad Trujillo. The prisoners refused to talk freely in the presence of DR newsmen. Among prisoners questioned: the father and 4 sisters of Antonio de la Maza Vazquez (who was shot and killed while resisting arrest June 4); Cristina Díaz, 38, widow of Brig. Gen. Juan Tomas Díaz (who was shot with de la Maza); 5 brothers of Salvador and Cesar Estrella (who had been arrested as alleged plotters). Another brother, Brig. Gen. Guarionex Estrella, had been relieved of his command and was under investigation.

The OAS commission June 12 visited La Victoria penitentiary, where 13 men and one woman were held as suspects in Trujillo's slaying. The commission was not allowed to question the 14 because they were under investigation. But the OAS members were permitted to interview 32 other prisoners held on various political charges.

Balaguer said at a news conference June 12 that the DR had only 37 political prisoners, all convicted on charges of violence. He said every person who had applied for a passport to leave the country would receive one. Opposition sources had charged that passports were given only to those the government considered politically reliable. [See p. 210E2]

Gen Román Accused. Pres. Balaguer June 8 signed a decree dismissing Maj. Gen. José René Román Fernandez from his post as secretary of state for the armed forces. (He was replaced June 9 by Maj. Gen. Santos Melido Marte Pichardo.) A government communiqué June 12 said Román had admitted participating in the assassination plot against Trujillo and that he would be tried on treason charges. [See p. 210C1]

Abbes to Japan. Lt. Col. John W. Abbes Garcia, who had been dismissed as the DR's military intelligence chief, was appointed counselor of the DR Embassy in Tokyo (reported June 8). [See p. 210B3]

MEDICINE

Cold Virus Identified. The respiratory syncytial (RS) virus was identified as a major cause of severe respiratory illnesses in infants and of the common cold in adults, it was reported in the Journal of the American Medical Association. The identification resulted from experiments at the U.S. National Institutes of Health (Bethesda, Md.). They were conducted by a group of scientists headed by Dr. Robert M. Chanock, the same group that discovered the virus in 1956. The scientists found 56 strains of RS in 346 infants and children treated for respiratory illnesses in a Washington, D.C. hospital but only 4 strains among 272 children who did not have those ailments. [See Vol. XVII, p. 33D2]

RELIGION

Unitarian-Universalist Merger. Consolidation of the American Unitarian Association and the Universalist Church of America into the Unitarian Universalist Association was achieved May 11 at a Boston meeting May 10-15 of delegates of both groups. The delegates May 11 adopted a constitution and by-laws and elected the Rev. Dr. Dana McLean Greeley, American Unitarian Association president since 1958, as their first president. The merger, approved in May 1960, combined 118,000 Unitarians with 405 churches and 336 fellowships, and 71,000 Universalists with 400 churches. [See Vol. XX, p. 199C-D3]

Business & Financial Summary

Week Ended June 10

	This Week	Last Week	Year Ago
FINANCE:			
U.S. Treasury—			
Monetary gold stocks	*$17,410	*$17,402	*$19,352
Currency circulation	*$32,198	*$32,055	*$31,917
Banks—			
Com'l & ind'l loans§	[a]*$31,479	*$31,586	*$31,374
Agricultural loans	[a]*$1,132	*$1,197	*$955
N.Y. bank clearings	$15,684,683,014	$13,464,975,054	$13,444,978,908
England note circulation	*£2,303,338	*£2,301,121	.....
N.Y. Stock Exchange—			
Stock sales (shares)	19,721,550	11,796,850	17,505,710
Stock avgs. (100 shares)**	253.38	253.75	230.97
Bond sales (par value)	$29,932,000	$18,009,000	$28,907,900
Bond avgs. (30 bonds)**	86.18	86.41	84.66
INDUSTRY:			
Auto output (cars & trucks)†	150,737	102,272	164,464
Crude oil (bbl. daily)	[b]7,060,710	7,054,410	6,780,960
Soft-coal output (tons)	[c]7,980,000	7,815,000	8,575,000
Electric output (kwh.)	*[b]13,887	*14,390	*13,503
Carloadings (cars)	[b]531,267	578,767	574,980
PRICES:			
Wheat (bu.)	$2.34⅜	$2.32⅝	$2.38⅜
Corn (bu.)	$1.41⅛	$1.43⅞	$1.48⅞
Cotton (lb.)	$.3440	$.3435	$.3425
Steel scrap avg. (ton)[e]	$37.83	$36.83	$31.50
Wholesale food index‡	[d]$5.92	$5.88	$5.90
Weekly whlsl. index (BLS)¶	.....	118.9	119.7
BUSINESS:			
Dept. stores sales§¶	[b]132	137	131
Failures (June 1)‡	254	368	274
Foreign Trade (Census Bur.)—	**April**	**March**	**Apr. 1960**
Exports	*$1,705.5	*$1,934.2	*$1,817.8
Imports	*$1,041.9	*$1,230.5	*$1,261.3

*In millions **N.Y. Herald Tribune †Ward's estimate. ‡Dun & Bradstreet ¶1947-49=100 §Federal Reserve Board [a]Member banks, 107 cities, May 31 [b]June 3 [c]May 27 [d]June 6 [e]Iron Age

Construction. The value of "new construction put in place" throughout the U.S. dropped from a total of $3.816 billion in January to $3.611 billion in February and then rose to $3.909 billion in March, $4.289 billion in April and $4.773 billion in May, according to Commerce Department data June 9. Totals for private construction were $2.722 billion in January, $2.572 billion in February, $2.772 billion in March, $3.03 billion in April and $3.292 billion in May. The value of non-farm residential construction put in place totaled $1.412 billion in January, $1.287 billion in February, $1.448 billion in March, $1.676 billion in April and $1.849 billion in May. [See p. 186F-G2]

Livestock. The number of calves slaughtered under federal inspection in the U.S. dropped from 427,000 in January to 385,000 in February, rose to 457,000 in March and dropped to 378,000 in April, according to Commerce Department statistics June 9. Cattle slaughtered (federally inspected) totaled 1,632,000 head in January, 1,435,000 in February, 1,627,000 in March and 1,502,000 in April. Wholesale beef steer prices in Chicago dropped from $27.02 a hundred pounds in January to $25.84 in February, $25.32 in March and $24.73 in April. The number of hogs slaughtered under federal inspection totaled 5,744,000 in January, 5,078,000 in February, 6,110,000 in March and 5,049,000 in April. Wholesale hog prices (per 100 pounds) in Chicago averaged $16.82 in January, $17.74 in February, $17.26 in March and $16.90 in April. The number of sheep and lambs slaughtered under federal inspection totaled 1,300,000 in January, 1,117,000 in February, 1,311,000 in March and 1,247,000 in April. Wholesale lamb prices (per 100 pounds) in Chicago averaged $17.25 in January and February, $16.50 in March and $15.25 in April. [See pp. 68E1-A2, G1, 135B2]